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STATE FOR S/P, EAP/K, AND EAP/J

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SUBJECT: U.S.-ROK-JAPAN POLICY PLANNING TALKS

Classified By: POLMC Joseph Yun for reasons 1.4 (b,d)

¶1. (C) Summary: During a June 2-3, 2009 visit to Seoul for U.S.-ROK-Japan Trilateral Policy Planning Talks, Policy Planning (S/P) Director Anne-Marie Slaughter was told by Foreign Minister Yu Myung-hwan that China was changing its views on what to do about North Korea, "but too slowly, and too late." Vice Foreign Minister Kwon Jong-rak was equally pessimistic during a working lunch. He stated that the prospects for resumption of the Six-Party Talks were dim. By continuing the Six-Party Talks (if possible), or five-party consultations (if not), China may come to understand that it must do more to persuade the DPRK to change course.

¶2. (C) Summary continued. The morning session of Policy Planning Talks on June 3 focused on the security environment in Northeast Asia and the DPRK. China took center stage in that discussion as well. Japanese Policy Planning Deputy Director General Masafumi Ishii argued for a two-pronged policy of engagement and hedging with China. Director Slaughter thought that while we needed to keep our eyes wide open with China, it would be better to shape the choices China made, rather than hedge against the People's Republic of China (PRC), as the latter would play into the hands of Chinese hard-liners who argue the U.S.'s true intention was to confront the PRC. Deputy Minister Oh Joon also strongly favored a policy of more robust engagement with China. The afternoon session focused on diplomacy in the cyber age, Afghanistan/Pakistan, and global governance. Japan and the ROK conceded that they were at the early stages of using new communication technologies for diplomatic outreach. In regards to Afghanistan and Pakistan, even though all participants agreed that the USG's new counter-insurgency approach made sense, domestic and foreign challenges influenced not only the situation within these countries, but also ROK and Japanese participation in stabilizing them. Finally, the discussants agreed that the financial crisis had sparked an international debate on global governance; however the role of multilateralism as an effective solution remained unresolved. End summary.

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Discussion with Ehwa Professors  
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¶3. (C) Before the trilateral talks, on June 2 the Director met three Ehwa professors, (Yun Eugene - Adjunct Professor of Finance, Nam Young-sook ) Chair of the Department of International Studies, and Choi Byung-il ) Dean of the Graduate School of International Studies) for an informal

discussion that covered the financial crisis and Korean reunification. Regarding the financial crisis, the professors' consensus was that despite the ROKG's commitment to open markets, the sudden arrival and severity of the financial and economic crisis in the U.S. silenced Korean economists who championed the robustness of the Wall Street model. Korean economists were more willing to examine other models of financial and economic organization that incorporated enhanced supervision and coordination mechanisms.

¶4. (C) The professors also agreed that unification meant different things to different people, with the generation gap strongly influencing what Koreans thought about unification. Since most South Koreans no longer had family members in the DPRK, Yun opined that there was less urgency for unification, but instead more of a desire for peace. Nam believed that students did not quite know how to interpret the DPRK's rhetoric and actions, though the students did appear fearful of what the events may bring. Choi thought that South Koreans were more concerned about their daily lives and the economy than about unification. Choi said that since South Koreans drew mostly negative lessons from German unification, the feeling for unification in the ROK has much cooled. Besides, Choi continued, if the DPRK became a nuclear state, then the regional powers, (Japan, Russia, and China), would have less desire to see a unified, nuclear Korean state. From this perspective, Yun thought that China may prefer a divided Korean peninsula. All three professors agreed that the fear of China was rising in the ROK.

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U.S.-ROK Bilateral Dinner  
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¶5. (C) On June 2, the U.S. and ROK delegations held a bilateral discussion over dinner. The discussion covered a number of the trilateral agenda topics, but centered on dealing with the DPRK and issues of global governance. Regarding the DPRK, Deputy Minister for Multilateral and Global Affairs Oh Joon agreed with the statement, "Those who have the most leverage have the most responsibility." Oh said China could play an important role in dealing with the DPRK since the DPRK depended on China for all its oil and the vast majority of its trade. The Chinese were reluctant, however, to push the DPRK hard because it viewed North Korea as a buffer between itself and other nations. However, the North Korean nuclear issue was a real problem for China because the DPRK had received nuclear technology under the Nonproliferation Treaty (NPT), imperiling the global nonproliferation effort. Oh said that he was concerned about DPRK provocations in the Yellow Sea, since the ROK response would have to consider the North's functioning nuclear weapons. From this perspective, North Korea was pushing to negotiate as a recognized nuclear state, the first one to use the NPT to gain that status. Because of this, Oh agreed that contingency planning on the political level was now necessary.

¶6. (C) Oh's views on global governance were that multilateral arrangements were needed, but many of the current multilateral arrangements, and the United Nations in particular, were ineffective and inefficient, with the UN being "a waste of money and efforts." For example, the UN's Universal Periodic Review that was supposed to allow countries to comment on another's human rights record, was circumvented by countries arriving at the three-hour session early in order to run out the clock through their long and often meaningless presentations. Oh faulted the permanent membership of the UN Security Council because it did not reflect reality in the international community; specifically, countries with relatively large populations, economies, or UN contributions are underrepresented in the Security Council and in the General Assembly's voting scheme. Oh said that the large membership of the UN's Economic and Social Council (ECOSOC) rendered that institution useless. About the G20, Oh said it was a good mechanism for global governance because it better reflected international reality. Oh continued by saying that the G8, G15, G20, and other "proliferation of G's" were needed for the same reason. In response to the

Australian proposal of an Australian-Asian Community, Oh said that the region already had APEC (Asia-Pacific Economic Cooperation), and Australia was Pacific, but not Asian. The dinner conversation concluded with discussion on the global aid architecture, which Oh said was mostly European with mostly African recipients. Oh was glad to hear that the USG and China were having working level discussions on overseas development aid (ODA), noting that it was in everyone's interest to have China participate. Still, Oh said that the ROK did not think that ODA rules were "written in stone," and that the aid architecture should be modified. Oh concluded by saying that the ROK would join the OECD's Development Assistance Committee (DAC) within a year and host a high-level forum on aid effectiveness in 2011.

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Courtesy Call on Foreign Minister Yu  
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17. (C) Prior to the start of the Trilateral Policy Planning Talks on June 3, the three delegation heads met with Foreign Minister Yu Myung-hwan for a 15 minute discussion that centered on North Korea and China. FM Yu commented on how rapidly things had changed from the promise of progress in the Six-Party Talks to the current state of rising tension on the Korean Peninsula. He put the blame for that squarely on the shoulders of the DPRK, but his comments also indicated grave disappointment with the PRC. He began by saying that the Chinese had been completely wrong in their assessment to him that North Korea would undergo a period of self-imposed isolation while making preparations for the succession of Kim Jong-il and that during that period the DPRK would be unlikely to engage in provocative actions. The opposite has occurred, Yu said, adding that the DPRK's behavior appeared to be much more strategic than we had thought. He said the Kim Jong-il regime appeared determined to go ahead with the development of its nuclear and missile programs. Pointing to the 100th anniversary of the birth of Kim Il-song coming up in 2012, he opined that the North Korean regime needed to take bold action in order to further build up the Kim family legacy and so secure its continuance.

18. (C) S/P Slaughter agreed that the DPRK was attempting to strengthen its hand before it would sit down to negotiate in the future. She urged that we try to change China's medium-term calculation and asked if FM Yu detected any shift in the Chinese position on the North Korean nuclear issue. "Yes," Yu replied, "but too slow and too late." He said he did believe, however, that China was coming to understand that North Korea's actions were truly destabilizing for the region. Long-term, he said that China would surely cooperate with us on maintaining regional peace and countering the proliferation of nuclear weapons, but that in the short-to-medium term China's behavior toward the DPRK was not as helpful as it could be, and did not appear, as yet, to be changing for the better. The PRC still appear to be trying to maintain the status-quo, he concluded.

19. (C) Ambassador Ishii said it was never too late to try to resolve the issue diplomatically and to work with China to achieve that, but he also pointed out that Kim Jong-un, Kim Jong-il's youngest son, would likely have little time in which to prepare to rule and consolidate his power. Given the uncertainty of a smooth succession, Ishii urged that the U.S., ROK and Japan do more to prepare for other contingencies.

10. (C) S/P Slaughter concluded the meeting with the Foreign Minister by pointing out that because so many of the biggest problems we face are global, we need to work together in a spirit of collective responsibility to resolve them, adding that Japan and the ROK have much to offer in that regard. FM Yu agreed, and proudly pointed to South Korea's plan to increase its Overseas Development Assistance (ODA) to the world and to join the Development Assistance Committee (DAC) at the OECD.

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## Security Environment in East Asia

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¶11. (C) The first agenda item addressed in the Trilateral Policy Planning Talks was a discussion of the East Asia security environment. The discussion focused largely on North Korea. Ambassador Ishii, who led the session, started off by stating that the recent provocative actions by the DPRK had implications for regional security and global non-proliferation efforts. He also talked about the importance of economic issues, including the impacts of the global economic crisis and the growth of trade in the region. According to Ishii, the North Korean situation and actions threatened continued stability and economic growth in the region. He stated that since the future security situation on the Korean Peninsula was so uncertain, it might be time to try something new and to be ready for worst-case scenarios.

¶12. (C) The major point of Ishii's tour d'horizon presentation, which included analyses not only of the DPRK and China, but also of Russia, India, and Southeast Asia, was that the U.S., ROK and Japan should work together to engage China to build a positive future, but to hedge against it should the country head down the wrong path. His four point strategy was: strengthen alliances; pursue a policy-oriented dialogue with China; build Japan-U.S.-India relations, to include Australia and the ROK, while carefully assessing Chinese and Russian intentions; and take a differentiated approach toward the ASEAN states. On the sensitive issue of a U.S.-China-Japan trilateral summit meeting, Ishii promised transparency to the ROK and urged his Korean counterpart to be confident enough in the relationship between Japan and the ROK not to be concerned, telling DM Oh that Japan was determined to keep the ROK informed and that "there is no point" to discussing the Korean Peninsula without the ROK present.

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### Strategies for Changing DPRK Behavior

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¶13. (C) Deputy Minister Oh led the discussion of the second agenda item -- North Korea. The role of China figured prominently in that discussion. Oh said he believed China was trying to balance its need for the maintenance of a stable North Korea with its desire for DPRK denuclearization and its growing concern that Pyongyang had no intention of reaching such an agreement. S/P Slaughter stated that the DPRK's bad behavior had real consequences that were all the more significant because the DPRK used the NPT to advance its nuclear development program, and then left it. She noted that unless the DPRK changed its strategy, Japan's own strategic analysis was likely to change as well, something that should be of great concern to China. Ambassador Ishii stressed the importance of opening a political-military discussion with China to work out acceptable solutions to the various possible contingencies that could develop if North Korea stayed on its current path. He added that he thought China was getting ready to have these discussions, and that Chinese think tanks were already engaging in such discussions.

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### Vice Minister Kwon Jong Rak's Lunch

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¶14. (C) The discussion of the North Korean nuclear issue continued over a working lunch hosted by Vice Foreign Minister Kwon Jong-rak. Kwon said the DPRK had reached a new level of defiance, making every effort to complete its decades old nuclear weapons development effort. He asserted that its past negotiating behavior on the issue -- such as joining the NPT and engaging in Six-Party Talks -- had been designed to delay international condemnation until it achieved that true goal and that Pyongyang next hoped to secure recognition of the new status-quo. He assured that the DPRK had no intention of engaging in all out confrontation -- and run the risk of losing Chinese and Russian support -- but rather was strengthening its

diplomatic hand and would come back to negotiations once it felt that had been achieved. He predicted that when North Korea was ready to talk, it would seek a bilateral negotiation with the United States in which it would promise not to proliferate nuclear weapons materials and technology in exchange for being allowed to keep what it already had.

¶15. (C) Kwon said that diplomacy alone would not solve the problem, but that we had ruled out the use of force, thereby seriously limiting our options. He recalled that the DPRK quickly offered former President Jimmy Carter an invitation to visit in response to former Secretary of Defense Bill Perry's actions to bring more troops to the Korean Peninsula.

If the Six-Party Talks remained moribund, the five party dialogue had to be maintained, Kwon asserted, noting that it was the only regional security dialogue mechanism in existence. He said that the thinking on this issue in China was far from monolithic and that the U.S., Japan and the ROK should work to influence some of the more useful views on the issue that exist in Beijing.

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#### Diplomacy in the Networked, Cyber Age

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¶16. (C) Director Slaughter presented an overview of the USG's efforts to employ technology -- cell phones, internet networking sites, and online discussion platforms -- in ways that were constructive to U.S. foreign policy. Ambassador Ishii noted that Japan was just beginning to employ technology in carrying out foreign policy, and the foreign ministry had just started its own channel on Youtube. Ishii noted, however, that Japan was not as networked as Korea. Policy Planning Director-General Lee Yoon said that the ROKG was also just starting to use the internet to advance its goals. He noted that Korea had proposed a project through the Asian Regional Forum to convene a virtual meeting room with experts in preventing cyber crimes. Lee expressed a hope that these technologies could be more effectively used in multilateral organizations as well as in individual governments.

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#### Counter-terrorism/Foreign Aid Lessons in Afghanistan/Pakistan

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¶17. (C) Director Slaughter opened the session on Afghanistan and Pakistan by highlighting that the current U.S. strategy focused on counter-insurgency, which meant protecting the people from insurgents and emphasizing development and civilian provision. The strategy solicited input from the local population, tackled corruption, and supported fair, transparent processes, not individuals.

¶18. (C) Ambassador Ishii said that the regional approach to Afghanistan and Pakistan, and the bottom-up, step-by-step approach both made sense. Japan would focus on what it could do, not the impossible, "like sending troops." Ishii said that the USG should include Iran, if possible, in its efforts to stabilize Afghanistan. Ishii closed his comments by urging the USG to talk to China about Pakistan because China is worried.

¶19. (C) Deputy Minister Oh said that the kidnapping and murder of Korean aid workers in 2007 remained a painful incident for the ROK. Oh did not believe that the average Korean had anything against Afghanistan per se, but the question remained, "Should the ROK send troops to fight terrorism or should the ROK focus on its own issues at home?" Oh said that ROK citizens now saw that they could be victims of terrorism anywhere, and that they need to fight it. Oh said that the ROKG was considering increasing its aid pledge to Afghanistan and its presence at Bagram Air Base.

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#### Global Financial Crisis and Global Governance

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¶20. (C) Deputy Minister Oh said that because the financial crisis had sparked an international debate on global governance, it was time to think about the existing multilateral institutions and the problems they could address, and that Obama's commitment to multilateralism was a good sign in this regard. Director-General Lee asked what impact the financial crisis had on American power. Ambassador Ishii replied that the financial crisis did not start a new trend or change the existing trend in global governance; rather the world remained in a trial and error stage, with the need for many different groupings, and with the U.S. retaining its role as an indispensable convening power. Ishii said that core groupings were necessary to set ambitious agendas, whereas small core groups among friends were useful for negotiating as blocks in larger forums such as the Doha Round or the WTO, and that small groupings, not comprising of friends, were also useful for reaching solutions on important issues.

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Trilateral Talks Participants  
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¶21. (C) The participants attending the Policy Planning Talks are listed below.

Visiting U.S. Delegation  
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Dr. Anne-Marie Slaughter  
Director, S/Policy Planning

James Green  
Staff, East Asia, S/Policy Planning

Marc Knapper  
Deputy Political Minister Counselor, Embassy ) Tokyo

Visiting Japan Delegation  
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Masafumi Ishii  
(Deputy Director-General) Ambassador for Policy Planning

Kensuke Nagase  
Deputy Director, Policy Planning Division, Foreign Policy

ROK Delegation  
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Oh Joon  
Deputy Minister for Multilateral and Global Affairs

Lee Yoon  
Director-General of Policy Planning

Lee Baek-soon  
Deputy Director-General for North American Affairs

Chung Kwang-kyun  
Deputy Director-General for Northeast Asian Affairs

Ahn Seong-doo  
Deputy Director-General of Policy Planning

Park Jong-dae  
Director for Policy Planning and Coordination Division

¶22. (U) S/Policy Planning cleared this cable.  
STEPHENS